<u>REMARKS</u>

This application has been carefully reviewed in light of the Office Action dated November 23, 2007. Claims 25, 29, 30, 31, 37 and 38 are in the application, with Claims 39, 40 and 41 having been cancelled. Claims 25 and 29 are independent. Reconsideration and further examination are respectfully requested.

Initially, Applicant notes that the Office Action did not give patentable weight to the final "wherein" clause of Claim 25, since it allegedly does not add structure to the claimed input means. Without conceding the correctness of this interpretation, Claim 25 now specifically recites that a processor is constructed to perform such functions.

Claim 25 was rejected under 35 U.S.C. § 102(e) over U.S. Patent No. 5,933,811 (Angles), and Claims 29 to 31 and 37 to 41 were rejected under 35 U.S.C. § 103(a) over Angles in view of U.S. Patent No. 6,442,529 (Krishan). In addition, page 5 of the Office Action asserts that U.S. Patent No. 5,740,549 (Reilly) discloses a combination of software upgrade and advertisement update, although Reilly is not specifically applied in a rejection. Reconsideration and withdrawal of the rejections are respectfully requested.

The present invention generally concerns displaying advertising information and non-advertising information on an information appliance. A working display area is configured to display non-advertising information created by any of a plurality of non-advertising applications being run on the information appliance, and an advertising display area is configured to display advertising information independently of the non-advertising information.

According to one aspect of the invention, the advertising information is continuously displayed as long as the information appliance is operational.

By virtue of this arrangement, it is ordinarily possible to ensure that advertising information is continuously displayed to the user operating the information appliance, thus increasing exposure to the advertisements.

Referring specifically to claim language, independent Claim 25 is directed to an information appliance. The information appliance includes a display having a working display area and an advertising display area. The working display area is configured to display non-advertising information which is created by any of a plurality of non-advertising applications being run on the information appliance, and the advertising display area is configured to display advertising information which is created by software being run on the information appliance, independently of the non-advertising information, even when any of the plurality of non-advertising applications creates non-advertising information on the working display area. The information appliance also includes input means configured to accept an upgrade for the software and a memory configured to store at least the plurality of non-advertising applications and the software. The information appliance further includes a processor coupled to each of the input means, the display and the memory, and constructed to execute the upgrade to update the advertising information, to display the updated advertising information on the advertising display area independently of the non-advertising information, even when any of the plurality of non-advertising applications creates non-advertising information, and to cause the display

to continuously display the advertising information on the advertising display area as long as the information appliance is operational.

Independent Claim 29 is directed to an information display business system for selling an information appliance. The system includes an information appliance. The information appliance includes a display having an advertising display area and a working display area. The working display area is configured to display non-advertising information which is created by any of a plurality of non-advertising applications being run on the information appliance, and the advertising display area is configured to display advertising information which is created by software being run on the information appliance, independently of the non-advertising information, even when any of the plurality of non-advertising applications creates non-advertising information on the working display area, the advertising display area being further associated with an advertising cost charged for displaying advertising information on the advertising display area. The information appliance also includes input means adapted to accept an upgrade for the software and a store for storing advertising information, the software and at least the plurality of non-advertising applications. The information appliance further includes a processor connected to each of the input means, the display and the store and configured to execute the software to display the advertising information on the advertising display area, to execute the upgrade to update the advertising information, to display the updated advertising information independently of the plurality of non-advertising applications being executed on the information appliance, even when any of the plurality of non-advertising applications displays non-advertising information on the working display area, and to cause

the display to continuously display the advertising information on the advertising display area as long as the information appliance is operational. The information display business system also includes information appliance selling means for offering the information appliance for sale for a price, the information appliance having a manufacturing cost, advertising selling means adapted to offer for sale an amount of the advertising display area for the advertising cost charged for displaying advertising information in the advertising display area, wherein the advertising information is displayed independently of the plurality of non-advertising applications being executed on the information appliance, and price determination means adapted to determine the price dependent upon a difference between the advertising cost and the manufacturing cost.

The applied art is not seen to disclose or to suggest the features of the present invention, and in particular is not seen to disclose or to suggest at least the feature of continuously displaying advertising information on an information appliance as long as the information appliance is operational.

As understood by Applicants, Angles is directed to delivering customized electronic advertisements in an interactive communication system. Customized advertisements are selected based on consumer profiles and are then integrated with offerings from different content providers. In particular, when a consumer directs his computer to access a content provider (i.e., website), a custom advertisement is combined with the content and displayed to the user. (See Angles, Abstract).

However, Angles is not seen to disclose or to suggest continuously displaying advertising information on an information appliance as long as the information appliance is operational.

In particular, Angles's advertisements are only provided when the user is accessing a website online. Even then, display of the advertisements is limited to those websites which support such advertisements. (See, e.g., Angles, Abstract, Column 2, lines 45 to 66 and Column 3, lines 30 to 46). Thus, Angles is not even seen to continuously display advertising information while a user is accessing the Internet, much less continuously display advertising information on an information appliance as long as the information appliance is operational.

Krishnan has been reviewed and is not seen to continuously display advertising information on an information appliance as long as the information appliance is operational. In particular, Krishnan only displays advertisements during idle time on a computer, such as when a computer is connecting to the internet or waiting for a server to respond. (See Krishnan, Abstract and Column 12, lines 24 to 30).

Reilly has also been reviewed and is not seen to remedy the deficiencies of Angles and Krishnan. Specifically, Reilly is only seen to display advertising as a screen saver during idle time on a computer, and the advertising is terminated upon detection of user input. (See Reilly, Abstract and Column 12, lines 57 to 61).

Therefore, the applied art is not seen to disclose or to suggest at least the feature of continuously displaying advertising information on an information appliance as long as the information appliance is operational.

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Accordingly, independent Claims 25 and 29 are believed to be in condition for allowance, and such action is respectfully requested.

The other claims in the application are each dependent from the independent claims and are believed to be allowable over the applied references for at least the same reasons. Because each dependent claim is deemed to define an additional aspect of the invention, however, the individual consideration of each on its own merits is respectfully requested.

No other matters being raised, it is believed that the entire application is fully in condition for allowance, and such action is courteously solicited.

Applicant's undersigned attorney may be reached in our Costa Mesa, California office at (714) 540-8700. All correspondence should continue to be directed to our below-listed address.

Respectfully submitted,

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